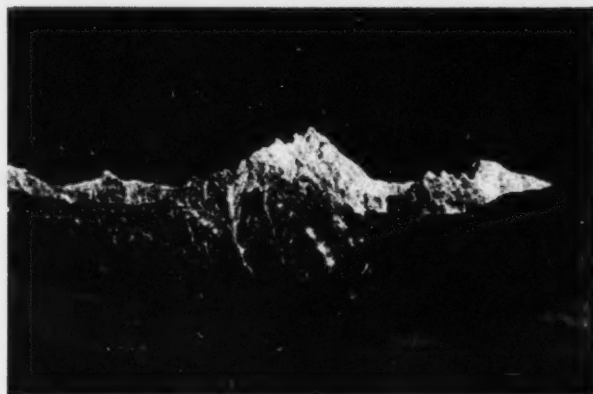


City of Cranbrook



2004 Annual Report





City Hall Circa 1905

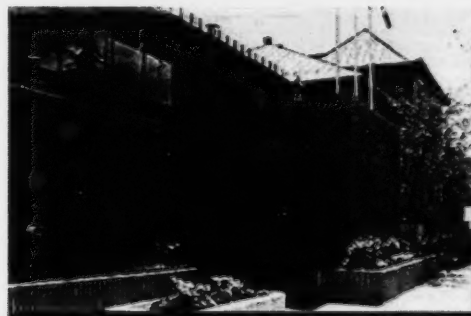
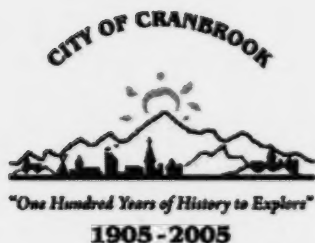
City of Cranbrook

100 Years of History to Explore!

Cranbrook Celebrates 100 years in 2005!

The City of Cranbrook came to be in 1898 with the arrival of the Crowsnest Railway. Cranbrook has evolved into the supply centre of the East Kootenay region of British Columbia. Our population currently exceeds 19,500 people with a total surrounding population approaching 80,000. Cranbrook was incorporated in 1905 and we look forward to celebrating our 'first 100 years' throughout 2005.

There will be many events during the year 2005. These include Sam Steele Days, Rockin' in the Rockies, Homecoming Weekend to name a few.

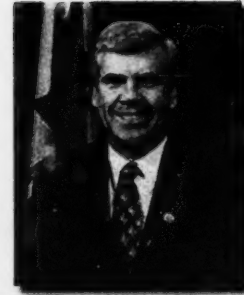


City Hall today

If you have any questions about these special events please contact the City of Cranbrook at 426-4211 or check out our website at www.cranbrook.ca/cent for more information.



Mayor's Message



On behalf of Cranbrook City Council, I am pleased to present the 2004 Annual Report. A review of this report will give you a clear perspective of the fiscally sound financial state of the City of Cranbrook and the City's key objectives. The 2004 financial results show that the City was able to deliver many quality services and programs that met the needs of the community within budget. Our Five Year Financial Plan (2005 to 2009) must be adopted by City Council no later than May 15, 2005 and provide the community with an outline of future services and programs.

The 2004 Annual Report includes key objectives that City Council has adopted for 2005 and 2006. Future Annual Reports will include the City's objectives and major accomplishments as well as an evaluation assessing the success of delivery on the previous year's objectives.

The East Kootenay Regional Hospital (formally known as the Cranbrook Regional Hospital) is truly becoming a full service regional hospital. Specialist recruitment has been successful to date with only a few areas of speciality still being pursued.

City of Cranbrook parks and recreation facilities continue to be upgraded and enhanced with the assistance of user groups and service clubs. Completion of the Moir Centennial Athletic Park (previously called Echo Sports Field) is anticipated in September 2005.

Interest in retail development remains strong and City Council continues to focus on economic development. City Development Cost Charges have been amended to better suit the current financial environment and reflect the available land base.

In the summer of 2004, the City and its partner Keen Rose Technology Group Limited met to discuss the future of the Multi-Purpose Recreation Complex. At that time our partner advised the City that they wished to terminate the Omnibus Agreement and withdraw from the Public/Private Partnership. The City agreed to terminate the partnership and expects to finalize take over of the operation of the facility in 2005. In November 2004 the City hired new City Administrator, Mr. Will Pearce, who brings a wealth of experience and expertise in administering a municipality going through significant growth.

Council continues to search for a system of addressing the requirements of our aging infrastructure (sewer, water systems and road surfaces) and will be implementing a plan to address side roads and collector roads in a fair, reasonable and achievable manner. The 2005 Budget deliberations introduced the implementation of a 3/4 of 1% tax increase per year, on an ongoing basis for a 10-year period to assist in addressing the long-term infrastructure renewal. This 3/4 of 1% will form a Recapitalization Reserve to be used in achieving the above stated objective.

The assurance of a continued and adequate supply of drinking water for City residents and new library services facility remain as key priorities for City Council.

On April 18, 2005, the Provincial Government announced a grant of \$4,500,000 toward the \$11,000,000 expansion/improvement of the Cranbrook Airport. Preliminary design work and environmental assessment will commence immediately with budget establishment being a priority. Construction will follow shortly with an expectation of Phase 1 and 2 being completed in late 2006 or early 2007.

Cranbrook City Council will produce a realistic and affordable budget for 2005 with a workable five-year financial projection to the year 2009. We remain committed to prudent fiscal management on behalf of all our current and prospective new residents.

Mayor Ross Priest

Cranbrook City Council



Left to right: Councillor Scott Manjak, Councillor Liz Schatschneider, Councillor Jim Wavrecan
Mayor Ross Priest, Councillor Alan Gordon, Councillor Pam Spiers, Councillor Angus Davis

MAYORS OF THE CITY OF CRANBROOK - Since Incorporation 1905

1905-1906	G.T. Rogers	1923	W.F. Cameron
1907	James Finley	1924	A.J. Balment
1908-1910	J.P. Fink	1925-1940	T.M. Roberts
1911	P. Devere Hunt	1941-1946	A.J. Balment
1912-1913	A.C. Bowness	1947-1961	R.E. Sang
1914	S. Taylor	1962-1969	G.W. Haddad
1915	A.C. Bowness	1970-1973	M.G. Klinkhamer
1916-1918	Lester Clapp	1974-1983	T.G. Colgur
1919	W.F. Cameron	1984-1990	R.B. Jensen
1920-1922	J.A. Genest	1990-1999	M.F. Patterson
		2000-	R. Priest

2004 Council Representatives

MAYOR Ross Priest

- Advisory Planning Commission
- East Kootenay Regional Hospital District Board
- Emergency Planning and Protective Services Committee
- Kootenay East Regional Hospital District Board
- Personnel Committee
- Regional District of East Kootenay Board
- Sewer/Water Frontage Tax – Court of Revision

COUNCILLOR Angus Davis

- Cranbrook Centennial Committee
- Cranbrook Public Library Board
- Emergency Planning and Protective Services Committee
- Heritage Advisory Committee
- Olympics Committee
- Personnel Committee
- Sewer/Water Frontage Tax – Court of Revision

COUNCILLOR Alan Gordon

- Advisory Planning Commission
- Cranbrook Development Authority
- Environment and Utilities Committee
- Joint Parks and Recreation Committee
- Sewer/Water Frontage Tax – Court of Revision

COUNCILLOR Scott Maniak

- Cranbrook & District Community Foundation
- East Kootenay Regional Hospital District Board
- Emergency Planning and Protective Services Committee
- Kootenay East Regional Hospital District Board
- Kootenay Regional Advisory Committee (Stakeholders Treaty Negotiations)
- Personnel Committee
- Regional District of East Kootenay Board
- Sewer/Water Frontage Tax – Court of Revision

COUNCILLOR Liz Schatschneider

- Community Policing Committee
- Cranbrook Chamber of Commerce
- East Kootenay Regional Hospital District Board (alt.)
- Environment and Utilities Committee
- Kootenay East Regional Hospital District Board (alt.)
- Kootenay Regional Advisory Group (Ktunaxa Kinbasket Local Government Treaty Advisory Committee)
- Regional District of East Kootenay Board (alt.)
- Sewer/Water Frontage Tax – Court of Revision
- Traffic Safety Committee

COUNCILLOR Pam Solers

- Downtown Parking Commission
- Emergency Planning and Protective Services Committee
- East Kootenay Regional Hospital District Board (alt.)
- Environment and Utilities Committee
- Kootenay East Regional Hospital District Board (alt.)
- Personnel Committee
- Regional District of East Kootenay Board (alt.)
- Sewer/Water Frontage Tax – Court of Revision

COUNCILLOR Jim Wavrean

- Cranbrook Archives, Museum and Landmark Foundation
- Cranbrook Centennial Committee
- Environment and Utilities Committee
- Railway Museum Development Committee
- Sewer/Water Frontage Tax – Court of Revision
- Traffic Safety Committee
- Transit Advisory Committee

DECLARATION AND IDENTIFICATION OF DISQUALIFIED COUNCIL MEMBERS

In accordance with Section 98(2)(e) of the *Community Charter*, there were no declarations of disqualification made under Section 111 of the *Community Charter* in the year 2004.

Rotary Park
Downtown



Officers at December 31, 2004

Will Pearce
City Administrator

Wayne Staudt, CA
Director of Finance and Computer Services

Roy Hales, MCIP
Director of Corporate Services

Tyron (Ty) Stokes, P.Eng., MBA
City Engineer

SOLICITORS
Murdy & McAllister
Steidl, Kambeitz

BANK
Bank of Montreal

Diane Butz
Director of Leisure Services

Gerald Fox
Director of Fire and Emergency Services

Joe A. McGowan, ASCT
Director of Public Works

Dr. Nelson Ames
Medical Health Officer

AUDITORS
BDO Dunwoody LLP

POLICE
Royal Canadian Mounted Police



December 31, 2004

Contents

Managements' Responsibility for Financial Reporting	1
Auditors' Report	2
Consolidated Financial Statements	
Consolidated Statement of Financial Position	3
Consolidated Statement of Financial Activities	4
Consolidated Statement of Current Fund Operations	5
Consolidated Statement of Capital Fund Operations	6
Consolidated Statement of Reserve Fund Operations	7
Consolidated Statement Cash Flows	8
Summary of Significant Accounting Policies	9 - 11
Notes to Consolidated Financial Statements	12 - 20
Annual Events	21
Statistical Review	22 - 25
Statement of 2004 Property Tax Exemptions	26
2005 / 2006 Key Objectives	28 - 36



Managements' Responsibility for Financial Reporting

To Mayor Ross Priest and Members of Council:

In accordance with Section 167 of the Community Charter, we are pleased to submit the 2004 consolidated financial statements for the Corporation of the City of Cranbrook, together with the report of our auditors, BDO Dunwoody LLP.

The preparation of the consolidated financial statements is the responsibility of the City's management. The statements have been prepared in accordance with Canadian generally accepted accounting principles for municipalities in the Province of British Columbia. These principles are based upon recommendations of the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

The consolidated financial statements have been audited by BDO Dunwoody LLP Chartered Accountants in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers. The auditors' report expresses their opinion on these consolidated financial statements. The auditors have full and free access to the accounting records.

Wayne Staudt, CA
Director of Finance and Computer Services

Will Pearce
City Administrator

April 1, 2005



Driving growth

BDO Dunwoody, LLP
Chartered Accountants
and Advisors

35 10th Avenue South
Cranbrook, BC Canada V1C 2M9
Telephone: (250) 426-4285
Telefax: (250) 426-8886

Auditors' Report

To the Mayor and Council of
The Corporation of the City of Cranbrook

We have audited the consolidated statement of financial position of the Corporation of the City of Cranbrook as at December 31, 2004 and the consolidated statements of financial activities, current fund operations, capital fund operations, reserve fund operations, and cash flow for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2004 and the results of its financial activities and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

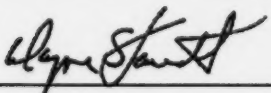
Chartered Accountants

Cranbrook, British Columbia
March 21, 2005


BDO Dunwoody LLP is a Limited Liability Partnership Registered in Ontario

The Corporation of the City of Cranbrook Consolidated Statement of Financial Position

December 31	2004	2003
Financial Assets		
Cash and funds on deposit (Note 1)	\$ 15,142,397	\$ 16,075,243
Accounts receivable (Note 2)	3,230,740	2,677,700
Property acquired for taxes subject to redemption	20,385	22,015
Land held for resale	1,530,500	1,546,742
Deposit - Municipal Finance Authority (Note 3)	1,291,933	1,258,960
	<u>21,215,955</u>	<u>21,580,660</u>
Liabilities		
Accounts payable and accrued liabilities (Note 4)	2,956,330	3,211,164
Deferred revenue (Note 5)	2,468,592	2,563,642
Development Cost Charges (Note 6)	499,635	682,182
Reserve - Municipal Finance Authority (Note 3)	1,291,933	1,258,960
Capital lease liability (Note 7)	20,983,500	21,257,831
Long-term debt (Note 8)	10,978,878	11,878,079
	<u>39,178,868</u>	<u>40,851,858</u>
Net Financial Liabilities	<u>(17,962,913)</u>	<u>(19,271,198)</u>
Physical Assets		
Inventory of supplies	365,081	272,662
Capital assets (Note 9)	156,604,594	151,473,738
	<u>156,969,675</u>	<u>151,746,400</u>
Net Position	<u>\$ 139,006,762</u>	<u>\$ 132,475,202</u>
Municipal Position		
Financial equity		
Current fund	\$ 7,190,735	\$ 6,709,383
Capital fund	(2,602,433)	(1,575,650)
Reserve fund	6,505,846	5,805,662
	<u>11,094,148</u>	<u>10,939,395</u>
Equity in physical assets (Note 10)	<u>127,912,614</u>	<u>121,535,807</u>
	<u>\$ 139,006,762</u>	<u>\$ 132,475,202</u>



Wayne Staudt, CA
Director of Finance and Computer Services



Will Pearce
City Administrator

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Consolidated Statement of Financial Activities

For the year ended December 31	2004 (Unaudited) Budget	2004 Actual	2003 Actual
Revenue			
Taxation for municipal purposes (Note 15)	\$ 15,389,243	\$ 15,392,384	\$ 14,501,447
Grants in lieu of taxes	272,800	291,233	264,024
Utility fees	3,586,270	3,563,283	3,517,122
Federal government grants	598,995	437,878	114,324
Provincial government grants	749,302	926,646	718,116
Regional District government grants	73,408	86,875	88,172
Sale of services and fees	4,276,263	4,622,522	4,714,749
Service, penalties, and interest charges	230,460	254,743	328,541
Contributions from developers, and others	-	861,900	272,235
Development cost charges	61,000	285,823	-
MFA refunds	-	19,094	237,878
Interest earned on investments	124,500	407,307	463,184
Proceeds from sale of capital assets	-	6,902	-
Other revenue	305,775	115,455	140,986
Actuarial adjustment on long-term debt	-	156,551	157,926
	25,668,016	27,428,596	25,518,704
Expenditures (Note 16)			
General government services	2,183,250	2,096,416	2,226,409
Protective services	5,609,779	5,215,861	5,588,576
Transportation services	3,732,595	3,833,881	3,653,578
Cemetery services	73,540	72,541	72,646
Planning and development services	333,905	293,273	314,037
Recreation and cultural services	3,297,230	3,066,054	3,403,402
Water services	1,003,850	1,038,093	975,972
Sewer services	1,140,890	909,930	849,268
Solid waste services	1,340,990	1,338,482	1,201,810
Airport operations	868,338	911,959	779,530
Loss on sale of land held for resale	-	620	268,393
Interest on long-term debt	2,122,639	2,114,356	2,040,167
Capital expenditures	5,026,235	5,228,845	3,511,449
	26,733,241	26,120,311	24,885,237
Net revenues (expenditures)	(1,065,225)	1,308,285	633,467
New debt issued	350,000	332,100	3,764,000
Debt principal repayments	(1,444,094)	(1,485,632)	(1,483,779)
Change in fund balances	(2,159,319)	154,753	2,913,688
Financial equity, beginning of year	10,939,395	10,939,395	8,025,707
Financial equity, end of year	\$ 8,780,076	\$ 11,094,148	\$ 10,939,395

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Consolidated Statement of Current Fund Operations

For the year ended December 31	2004 (Unaudited) Budget	2004 Actual	2003 Actual
Revenues			
Taxation for municipal purposes (Note 15)	\$ 15,389,243	\$ 15,392,384	\$ 14,501,447
Grants in lieu of taxes	272,800	291,233	264,024
Utility fees	3,586,270	3,563,283	3,517,122
Provincial government grants	734,302	911,655	712,259
Regional District government grants	73,408	86,875	85,172
Sale of services and fees	4,276,263	4,622,522	4,714,749
Service, penalties, and interest charges	230,460	254,743	328,541
Development cost charges	61,000	285,823	-
Interest earned on investments	124,500	278,540	311,314
Other revenue	204,775	60,773	91,671
	<u>24,953,021</u>	<u>25,747,831</u>	<u>24,526,299</u>
Expenditures			
General government services	2,183,250	2,096,416	2,225,815
Protective services	5,609,779	5,215,861	5,588,576
Transportation services	3,732,595	3,833,881	3,653,578
Cemetery services	73,540	72,541	72,646
Planning development services	333,905	293,273	314,037
Recreational and cultural services	3,297,230	3,066,054	3,403,402
Water services	1,003,850	1,038,093	975,972
Sewer services	1,140,890	909,930	849,268
Solid waste services	1,340,990	1,338,482	1,201,810
Airport operations	868,338	911,959	779,530
Loss on sale of land held for resale	-	620	268,393
Interest on long-term debt	2,122,639	2,114,356	2,040,167
	<u>21,707,006</u>	<u>20,891,466</u>	<u>21,373,194</u>
Net revenues	3,246,015	4,856,365	3,153,105
Net interfund transfers			
Capital fund	(2,695,945)	(3,833,101)	(2,917,349)
Reserve fund	(320,711)	(541,912)	(188,905)
Change in current fund balance	229,359	481,352	46,851
Balance, beginning of year	6,709,383	6,709,383	6,662,532
Balance, end of year	<u>\$ 6,938,742</u>	<u>\$ 7,190,735</u>	<u>\$ 6,709,383</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Consolidated Statement of Capital Fund Operations

For the year ended December 31	2004 (Unaudited) Budget	2004 Actual	2003 Actual
Revenues			
Federal government grants	\$ 598,995	\$ 437,878	\$ 114,324
Provincial government grants	15,000	14,991	5,857
Regional District government grants	-	-	3,000
Contributions from developers and others	-	851,489	266,581
Proceeds from sale of capital assets	-	6,902	-
Other revenue	101,000	54,682	21,730
Issuance of long-term debt	350,000	332,100	3,764,000
Actuarial adjustment on long-term debt	-	156,551	157,926
	<u>1,064,995</u>	<u>1,854,593</u>	<u>4,333,418</u>
Expenditures			
Capital expenditures			
Buildings	75,000	60,695	91,589
Equipment	1,303,140	1,181,272	464,920
Engineering structures	3,648,095	3,986,878	2,954,940
Debt principal repayments	1,444,094	1,485,632	1,483,779
	<u>6,470,329</u>	<u>6,714,477</u>	<u>4,995,228</u>
Net expenditures	(5,405,334)	(4,859,884)	(661,810)
Net interfund transfers			
Current fund - acquisitions	1,251,851	2,504,020	1,591,496
Current fund - debt reduction	1,444,094	1,329,081	1,325,853
Reserve fund	15,760	-	38,750
	<u>(2,693,629)</u>	<u>(1,026,783)</u>	<u>2,294,289</u>
Change in capital fund balance	(2,693,629)	(1,026,783)	2,294,289
Balance, beginning of year	(1,575,650)	(1,575,650)	(3,869,939)
Balance, end of year	<u>\$ (4,269,279)</u>	<u>\$ (2,602,433)</u>	<u>\$ (1,575,650)</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Consolidated Statement of Reserve Fund Operations

For the year ended December 31	2004 <i>(Unaudited)</i> Budget	2004 Actual	2003 Actual
Revenues			
Other revenue	\$ -	\$ -	\$ 27,585
Contributions from developers and others	-	10,411	5,854
MFA refunds	-	19,094	237,878
Interest income	-	128,767	151,870
	-	158,272	422,987
Expenditures			
Miscellaneous expenditures	-	-	594
Net revenues	-	158,272	422,393
Net interfund transfers			
Current fund	320,711	541,912	188,905
Capital fund	(15,760)	-	(38,750)
Change in reserve fund balance	304,951	700,184	572,548
Balance, beginning of year	5,805,662	5,805,662	5,233,114
Balance, end of year (Note 11)	\$ 6,110,613	\$ 6,505,846	\$ 5,805,662

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Consolidated Statement of Cash Flows

<u>For the year ended December 31</u>	<u>2004</u>	<u>2003</u>
Operating activities		
Cash receipts from assessments, levies, penalties and interest on taxes	\$ 19,206,856	\$ 18,713,254
Cash receipts from grants, other governments, and own sources	2,143,549	1,722,732
Cash receipts from sale of services and other sources	5,062,355	4,821,167
Cash paid to employees and suppliers	(19,217,085)	(18,508,789)
Interest paid	(2,114,356)	(2,040,167)
Interest received on investments	407,307	463,184
	<u>5,488,626</u>	<u>5,171,381</u>
Investing activities		
Proceeds from sale of capital assets	6,902	-
Purchase of capital assets	(5,228,845)	(3,511,449)
	<u>(5,221,943)</u>	<u>(3,511,449)</u>
Financing activities		
Short-term borrowing	-	(2,500,000)
Issuance of long-term debt	332,100	3,764,000
Repayment of long-term debt	(1,349,082)	(1,345,852)
Development cost charges collected (expended)	(182,547)	436,771
	<u>(1,199,529)</u>	<u>354,919</u>
Increase (decrease) in cash during year	(932,846)	2,014,851
Cash and funds on deposit, beginning of year	<u>16,075,243</u>	<u>14,060,392</u>
Cash and funds on deposit, end of year	<u>\$ 15,142,397</u>	<u>\$ 16,075,243</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

The Corporation of the City of Cranbrook Summary of Significant Accounting Policies

December 31, 2004

Basis of Presentation

The consolidated financial statements of the Municipality are the representations of management and are prepared in accordance with Canadian generally accepted accounting policies for local government entities using guidelines issued by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

Reporting Entity

The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to City Council and which are owned or controlled by the City of Cranbrook.

These consolidated statements reflect the assets, liabilities, revenues, expenditures, changes in fund balance, and cash flow of the reporting entity. In addition to the general City of Cranbrook departments, the reporting entity includes the Cranbrook Public Library.

Basis of Accounting

The resources and operations of the Municipality are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it. The current fund reports the general operations of the Municipality. The capital fund is used principally to account for physical assets acquired and the respective obligations incurred which are to be financed from the future revenue of the current fund operations. Reserve funds are generally created, pursuant to applicable statutes or by-laws, by appropriations from current fund operations. The use of these funds are restricted to the purposes for which the reserve funds are created. All interfund balances have been eliminated on the consolidated statement of financial position.

Within the framework of the fund basis of accounting, these financial statements have been prepared on an accrual basis. Under this basis, revenues are accounted for in the period in which transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods or services are acquired.

Funds on Deposit

Funds on deposit include temporary investments recorded at the lower of cost or market value

The Corporation of the City of Cranbrook Summary of Significant Accounting Policies (continued)

December 31, 2004

Land Held for Resale	Land held for resale is stated at lower of cost and market.
Vacation and Sick Pay	Vacation pay and accumulated sick leave is charged to expense in the year it is earned.
Development Cost Charges	Development Cost Charge ("DCC") levies are restricted by by-law in their use for providing funds to assist the municipality in paying the capital cost of providing, constructing, altering or expanding sewage, water, drainage and highway facilities and the revenue is deferred until the expenditures are incurred. When DCC expenditures are made, a corresponding amount is recorded in revenue as "Development Cost Charges."
Long-term Debt	Certain long-term debt issues are payable in U.S. funds. These have been translated to Canadian funds at the fixed exchange rate as set out in the agreements.
Inventory	Inventory is stated at cost. Cost is determined on a moving average cost basis. Inventories held by the Municipality are not viewed as financial assets and therefore have been included as expenditures in the period they are acquired on the consolidated statement of financial activities.
Capital Assets	Capital assets are reported on the consolidated statement of financial position as non-financial assets and are stated at cost other than the Library book collection which is stated at replacement cost. On the consolidated statement of financial activities capital assets are recorded as an expenditure in the year of acquisition. Amortization of capital assets has not been provided for.
Revenue Recognition	<p>Unrestricted grants and contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Restricted grants or contributions received under funding agreements which relate to a subsequent period is recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met, is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred.</p>

The Corporation of the City of Cranbrook Summary of Significant Accounting Policies (continued)

December 31, 2004

Financial Instruments	The Municipality carries several financial instruments. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.
Budget Figures	The budget figures are from the Five Year Financial Plan Bylaw to be adopted each year. They have been reallocated and adjusted to conform to PSAB Financial Statement Presentation. Subsequent amendments have been made by the Council to reflect changes in the budget as required by law.
Use of Estimates	The consolidated financial statements of the Municipality have been prepared in accordance with generally accepted accounting principles in Canada. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

1. Cash and Funds on Deposit

Included in cash and funds on deposit are funds which have been specifically designated and set aside for the following internally and externally restricted purposes:

	<u>2004</u>	<u>2003</u>
IDSA - Sinking Fund	\$ 1,436,757	\$ 1,322,154
Development Cost Charges	499,635	682,182
Moir Park Reserve	1,566,900	1,474,821
Tax Sale Reserve (MFA Refunds)	2,795,549	2,716,336
Park Land Acquisition Reserve	9,738	-
Sewer Assistance Grant	591,922	762,158
Arterial Road Reserve	1,183	1,183
Other reserves	1,943,459	1,378,793
	<u>\$ 8,845,143</u>	<u>\$ 8,337,627</u>

2. Accounts Receivable

	<u>2004</u>	<u>2003</u>
Taxes - current	\$ 786,392	\$ 802,028
- arrears	434,629	351,730
Federal government	593,768	351,730
Province of British Columbia	204,065	199,843
Other receivables	1,211,886	972,369
	<u>\$ 3,230,740</u>	<u>\$ 2,677,700</u>

3. Deposit and Reserve - Municipal Finance Authority

The Municipality issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The Municipality also executes demand notes in connection with each debenture whereby the Municipality may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature and are not reflected in the accounts. The details of the cash deposits and demand notes at year end are as follows:

	<u>2004</u>	<u>2003</u>
Demand notes	\$ 599,755	\$ 599,755
Cash deposits	692,178	659,205
	<u>\$ 1,291,933</u>	<u>\$ 1,258,960</u>

The Corporation of the City of Cranbrook

Notes to Consolidated Financial Statements

December 31, 2004

4. Accounts Payable and Accrued Liabilities

	<u>2004</u>	<u>2003</u>
Federal government	\$ 602,357	\$ 691,235
Province of British Columbia	225,298	239,444
Regional and other local governments	24,939	5,059
Vacation and accrued benefits payable	553,354	533,754
Other payables	1,550,382	1,741,672
	<u>\$ 2,956,330</u>	<u>\$ 3,211,164</u>

5. Deferred Revenue

	<u>2004</u>	<u>2003</u>
Property taxes	\$ 1,519,962	\$ 1,457,933
Sewer Assistance Grant	591,922	762,158
Other	356,708	343,551
	<u>\$ 2,468,592</u>	<u>\$ 2,563,642</u>

6. Development Cost Charges

	<u>2004</u>	<u>2003</u>
Balance, beginning of year	\$ 682,182	\$ 245,411
Add:		
Interest earned	13,307	7,054
Development cost charge levies	89,969	429,717
	785,458	682,182
Deduct:		
Expenditures	285,823	-
Balance, end of year	<u>\$ 499,635</u>	<u>\$ 682,182</u>

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

7. Capital Lease Liability

	2004	2003
Repayable in monthly instalments with interest at approximately 7.25%, maturing 2030	\$ 20,983,500	\$ 21,257,831

Based on the current lease agreement with Keen Rose Technology Limited future minimum lease obligations required on the lease liability for the next five years and thereafter are due as follows:

	Minimum Lease Payments	Interest	Lease Liability
2005	1,637,160	1,342,960	294,200
2006	1,665,000	1,349,500	315,500
2007	1,693,300	1,354,870	338,430
2008	1,722,084	1,359,120	362,964
2009	1,751,360	1,362,080	389,280
2010 and thereafter	43,700,202	24,417,076	19,283,126
	\$ 52,169,106	\$ 31,185,606	\$ 20,983,500

The City has entered into negotiations with Keen Rose Technology Limited to terminate the public/private partnership agreement and assume their existing debt facility (Note 18).

8. Long-term Debt

Debenture Debt

	2004	2003
Debenture debt is repayable to the British Columbia Municipal Finance Authority. Existing debentures mature in annual amounts to the year 2023 and interest is payable at rates ranging from 4.775% to 10.75% per annum.	\$ 7,470,965	\$ 8,570,667

Loan - Province of British Columbia

Loan interest is currently accrued at a rate of 1.875% per annum. Net proceeds from the sale or lease of Industrial Park land are deposited in the IDSA Debt Repayment Reserve and forwarded to the Province on August 1 each year. Payments are first applied to unpaid interest and any remainder to the loan. Any unpaid interest will be added to the loan on August 1, 2016.

In addition, the Municipality is required to deposit \$85,000 annually to the IDSA Sinking Fund which will be applied against the outstanding capitalized loan. The current balance of this sinking fund is \$1,436,757 (2003 - \$1,322,154).	2,905,317	2,925,317
---	------------------	------------------

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

8. Long-term Debt (continued)

	<u>2004</u>	<u>2003</u>
Bank Loans		
Bank loans are primarily comprised of capital borrowings in accordance with S.178 of the Community Charter. Annual payments of principal plus interest at prime less 0.75% are required in November of each year	554,000	321,380
Bank term loan, repayable \$1,320 monthly including interest at prime plus 1%, maturing 2008	<u>48,596</u>	<u>60,715</u>
	<u>\$ 10,978,878</u>	<u>\$ 11,878,079</u>

Future minimum principal payments and actuarial adjustments required on long-term debt for the next five years and thereafter are due as follows:

	Debenture Debt	Loan BC	Bank Loans	Total
2005	\$ 900,595	\$ 20,000	\$ 180,655	\$ 1,101,250
2006	445,616	20,000	192,417	658,033
2007	466,276	25,000	81,378	572,654
2008	413,734	25,000	75,096	513,830
2009	177,591	25,000	73,050	275,641
2010 and thereafter	<u>5,067,153</u>	<u>2,790,317</u>	<u>-</u>	<u>7,857,470</u>
	<u>\$ 7,470,965</u>	<u>\$ 2,905,317</u>	<u>\$ 602,596</u>	<u>\$ 10,978,878</u>

9. Capital Assets

	<u>2004</u>	<u>2003</u>
Land	\$ 5,869,248	\$ 5,869,248
Buildings	10,396,645	10,335,950
Equipment	17,192,832	16,131,915
Engineering structures	99,886,886	95,900,010
Library book collection	<u>1,116,981</u>	<u>1,094,615</u>
	<u>134,462,594</u>	<u>129,331,738</u>
Assets under capital lease - buildings (Note 7)	<u>22,142,000</u>	<u>22,142,000</u>
	<u>\$156,604,594</u>	<u>\$151,473,738</u>

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

10. Equity in Physical Assets

	<u>2004</u>	<u>2003</u>
Balance, beginning of year	<u>\$121,535,805</u>	<u>\$120,501,835</u>
Capital asset additions	5,228,846	3,511,449
Issuance of long-term debt	(332,100)	(3,764,000)
Actuarial adjustments	156,551	157,926
Repayment of long-term debt	1,329,081	1,325,853
Change in inventory	92,418	(31,316)
Disposal of capital assets	<u>(97,987)</u>	<u>(165,942)</u>
	<u>6,376,809</u>	<u>1,033,970</u>
Balance, end of year	<u>\$127,912,614</u>	<u>\$121,535,805</u>

11. Summary of Reserve Fund Positions

	<u>2004</u>	<u>2003</u>
Airport Reserve for future expenditure	\$ 96,044	\$ 93,281
Arterial roads	1,183	1,183
BC Summer Games Legacy	5,663	5,541
Balment Parking Lot Reserve	-	15,665
Capital Projects Reserve	136,553	132,080
Cranbrook Centennial	14,706	12,096
Employee family assistance program	2,000	-
Equipment Acquisition Reserve	521,177	240,433
Fire capital	38,217	56,671
General land sales	32,866	27,585
General Parking Lot Reserve	745,393	719,166
GST Infrastructure Reserve	194,355	-
Moir Park Reserve	1,566,900	1,474,821
Nights Alive program	8,125	10,669
Panorama Heights Water System	36,467	38,219
Park land acquisition	9,738	-
Recreation fields	2,032	1,732
Sewer Reserve for future expenditure	-	16,643
Sewer Utility Capital Reserve	276,647	221,290
Subdivision street signage	655	655
Tax sale property	2,795,549	2,716,336
Library building	20,076	20,076
Library collection	<u>1,500</u>	<u>1,500</u>
	<u>\$ 6,505,846</u>	<u>\$ 5,805,662</u>

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

12. Credit Facility

The Municipality has a credit facility agreement with a financial institution which provides for a total commitment of \$3,000,000. At December 31, 2004, the Municipality had drawn an amount of \$Nil (2003 - \$Nil) on this agreement.

13. Pension Liability

The Municipality and its employees contribute to the Municipal Pension Plan ("the plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 130,000 active members and approximately 45,000 retired members. Active members include approximately 29,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The Corporation of the City of Cranbrook paid \$468,126 for employer contributions to the plan in fiscal 2004.

14. Trust Funds

The Municipality holds funds in trust for specific uses. As at the fiscal year end the funds held totalled \$305,426 (2003 - \$356,767). The assets and offsetting liabilities are not reflected in the Municipality's consolidated financial statements.

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

15. Taxation for Municipal Purposes

Taxation revenue for municipal purposes is comprised of the following amounts:

	<u>2004</u>	<u>2003</u>
Total levies and special assessments	\$ 22,237,359	\$ 21,251,237
Transfers to other governments		
Regional District of East Kootenay	321,718	260,546
School District	5,948,597	5,857,577
Regional Hospital District	428,393	478,112
BC Assessment Authority	146,267	153,555
	<u>6,844,975</u>	<u>6,749,790</u>
General municipal purposes	\$ 15,392,384	\$ 14,501,447

16. Expenditures by Object

	<u>2004</u> <u>(Unaudited)</u>	<u>2003</u> <u>(Unaudited)</u>
Advertising and promotion	\$ 82,044	\$ 88,226
Capital acquisitions and materials	5,228,846	3,511,449
Contract services	6,262,211	6,575,426
Contributions to organizations	372,521	691,129
Data processing costs	74,675	71,000
Debt servicing and financing charges	2,114,356	2,040,167
Insurance	291,052	275,940
Licenses, permits and fees	33,662	22,106
Loss on sale of land held for resale	620	268,987
Materials and supplies	1,835,201	2,034,398
Memberships, education and training	137,453	76,232
Professional fees and payments	355,777	361,995
Repairs and maintenance	620,401	97,718
Telephone and utilities	688,229	664,649
Wages and benefits	8,023,263	8,105,815
	<u>\$ 26,120,311</u>	<u>\$ 24,885,237</u>

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

17. Commitments and Contingencies

a) Multi-Purpose Recreation Complex - Public/Private Partnership

The City has an agreement with Keen Rose Technology Group Limited to finance and manage a multipurpose recreation centre. Upon expiration of the agreement, Keen Rose Technology Group Limited will transfer title to the City.

The recreation complex has been recorded as a leased capital asset. The present value of annual minimum lease payments of \$1,530,410 has been recorded as a lease liability (Note 7), and the recreation complex has been included in capital assets at its fair market value on inception of the lease of \$22,142,000.

The City will guarantee an annual revenue stream of \$2,955,265. The total estimated annual payment for the City, excluding annual indexing for anticipated inflation, is \$1,530,410 which includes \$801,042 to lease the aquatic centre. Contingent payments in excess of the annual payment are included in the annual determination of net revenues (deficit). Contingent payments included in recreation and cultural services expense are \$662,687 (2003 - \$834,603). Any profits will be shared equally between the two parties.

The City has entered into negotiations with Keen Rose Technology Limited to terminate the public/private partnership agreement (Note 18).

b) Service Contracts

The Municipality has service contracts with estimated annual minimum payments of \$3,414,000 (2003 - \$3,263,749).

c) Contingency for Pension Plan Contributions

The City is required to match employee contributions to the Municipal Pension Plan when an employee decides to purchase enrolment arrears for service periods prior to January 1, 1988. The future pension cost for this is unknown and these amounts, if any, will be expensed as payroll costs in future years when paid.

d) Other Contingencies

There are several potential lawsuits pending in which the City is involved. It is considered that the potential claims against the City resulting from such litigation and not covered by insurance would not materially affect the consolidated financial statements of the City. These amounts, if any, will be expensed in future years when the claims are settled.

The Corporation of the City of Cranbrook Notes to Consolidated Financial Statements

December 31, 2004

18. Subsequent Event

In December 2004, the City of Cranbrook and Keen Rose Technology Limited entered into an agreement to terminate the public/private partnership agreement pertaining to the finance and management of the multipurpose recreation centre. The termination of the partnership requires review and approval by the lenders, Canada Life Assurance Company and Pacific & Western Public Sector Financing Corporation, which is not complete as of March 21, 2005.

The terms of the agreement require that Keen Rose shall cease all responsibility for the management of the multipurpose recreation centre and the City will assume management responsibility. The lease obligation with Keen Rose Technology Limited will cease and the City will assume their existing debt pertaining to the multipurpose recreation centre. Keen Rose Technology Limited shall pay to the City a one-time lump sum termination fee in the amount of \$1,709,000.

19. Comparative Figures

Certain comparative figures have been restated to conform to the presentation adopted for the current year.

Annual Events

Rockies Film Festival

Held annually in March this film festival showcases Canadian films. This must see event is well attended so get your tickets early.

East Kootenay Performing Arts Festival

This annual event, held in April, showcases our performing arts talent in the region. Piano, Dance, Voice, Speech, Strings, Band and School Music are all represented in this festival.

Sam Steele Days

On Sam Steele Day, in Cranbrook, celebrate Superintendent Sam Steele's arrival in Fort Steele in 1887. Fun for the whole family...parade, logger sports, pancake breakfast, barbecues, fastball, soccer, tennis tournaments, and Sam Steele Sweetheart Pageant. Held in June.

Festival of Lights

This spectacular display of lights will illuminate Rotary Park and several other sculptures downtown following the Cranbrook Mall Santa Claus parade. Tens of thousands of lights will sparkle in the winter evenings for 45 days over the holiday season.

Kootenay Children's Festival

It's an annual event for children of all ages. Lots of exciting activities including local entertainers, nylon zoo, cookie decorating and face painting. Takes place in May.

Rockin' in the Rockies Car Show N' Shine

Rockin' in the Rockies brings together the best of 50's and 60's cars, music and fun. This three day event held in mid-June includes a car show, fifties style rock and roll dance, pancake breakfasts, and a massive swap meet.

Farmer's Market

The Sunrise Rotary Club's Farmer's Market will take place in downtown Cranbrook throughout the summer from 9 am to 1 pm. There will be local artwork, wood carvings, food products, canned goods and children's clothing.

Santa Claus Parade

This annual event kicks off our Festival of Lights celebrations. All the City's Christmas lights are turned on this night and stay on until the Festival of Lights ends. During the parade everyone can watch the floats and entertainment and there are usually some treats to be had as well. Hosted by the Downtown Business Association.

Kinsmen Outdoor & Recreation Show

Over 100 exhibitors in the home, recreation and garden products industries. Booths, demonstrations and question and answer sessions. Held in April / May.

Symphony at the
Key City Theatre



Statistical Review

Elevation	918 m
------------------	--------------

Area	2272 ha
-------------	----------------

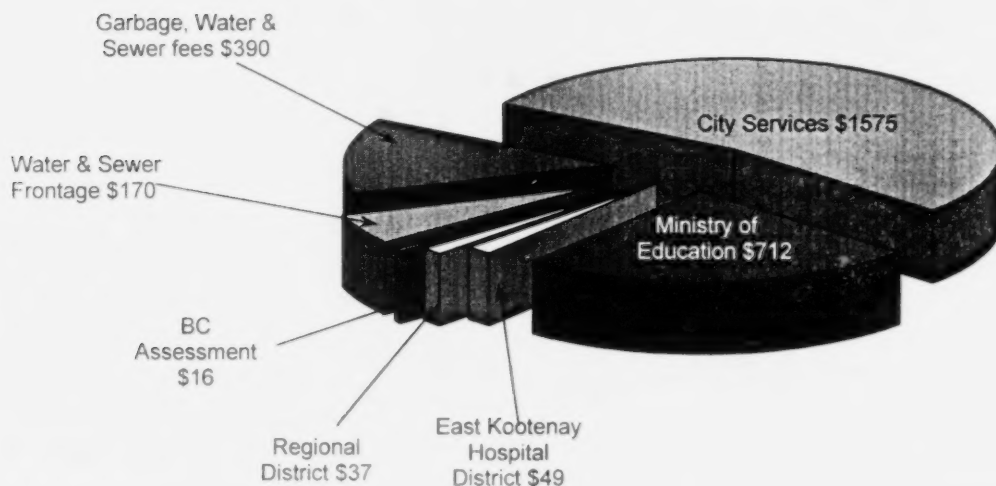
Population	19,608
-------------------	---------------

Voters' List	10,839
---------------------	---------------



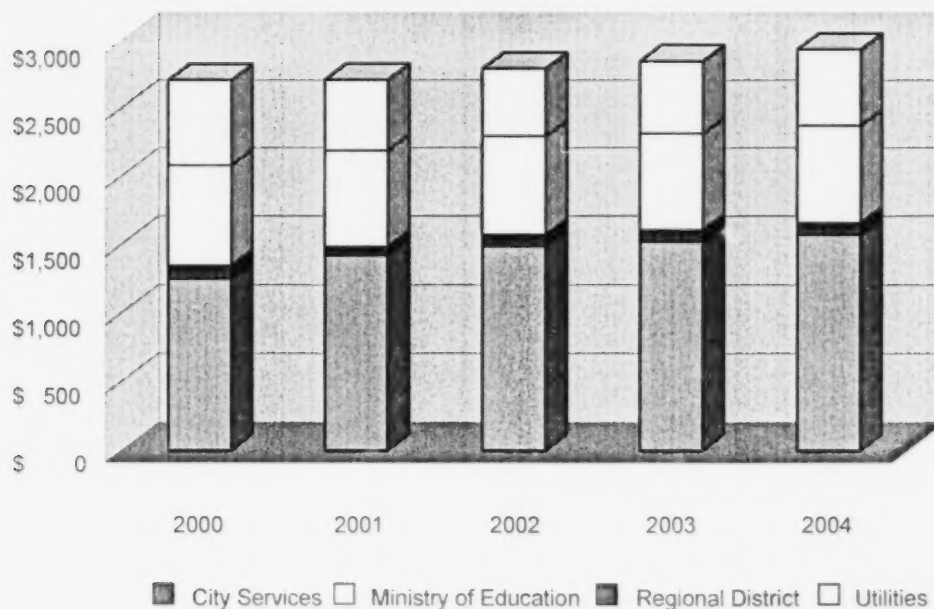
2004 Average Tax & Utilities

(Before Provincial Home Owner Grant)



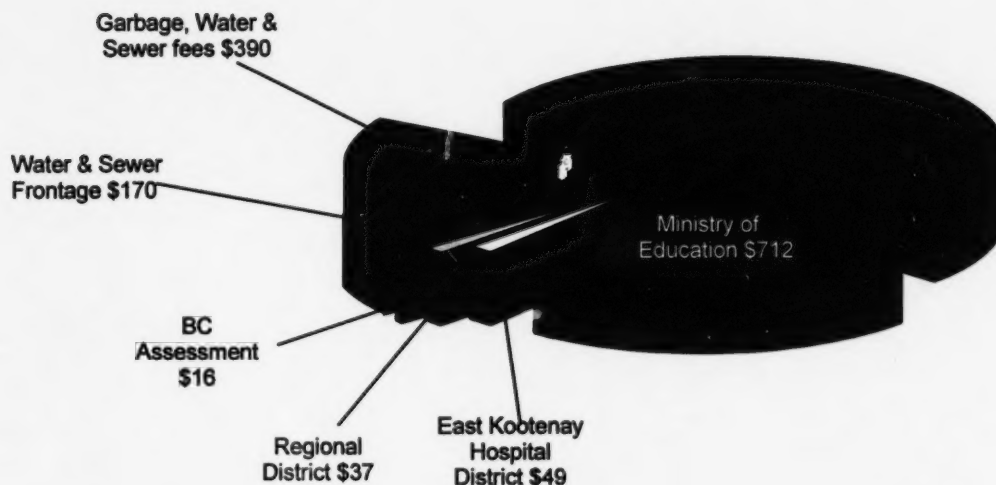
Average Tax & Utilities

(Before Provincial Home Owner Grant)



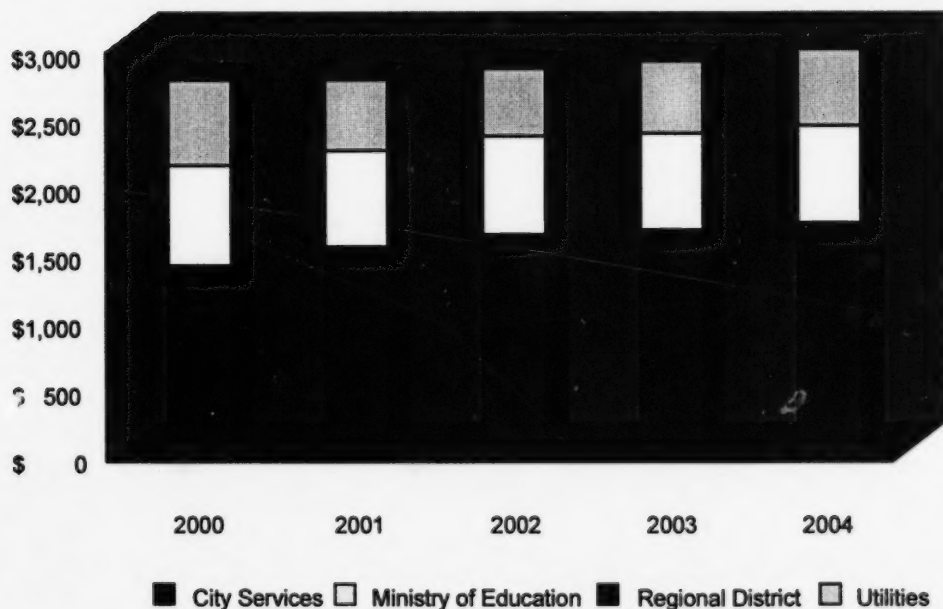
2004 Average Tax & Utilities

(Before Provincial Home Owner Grant)



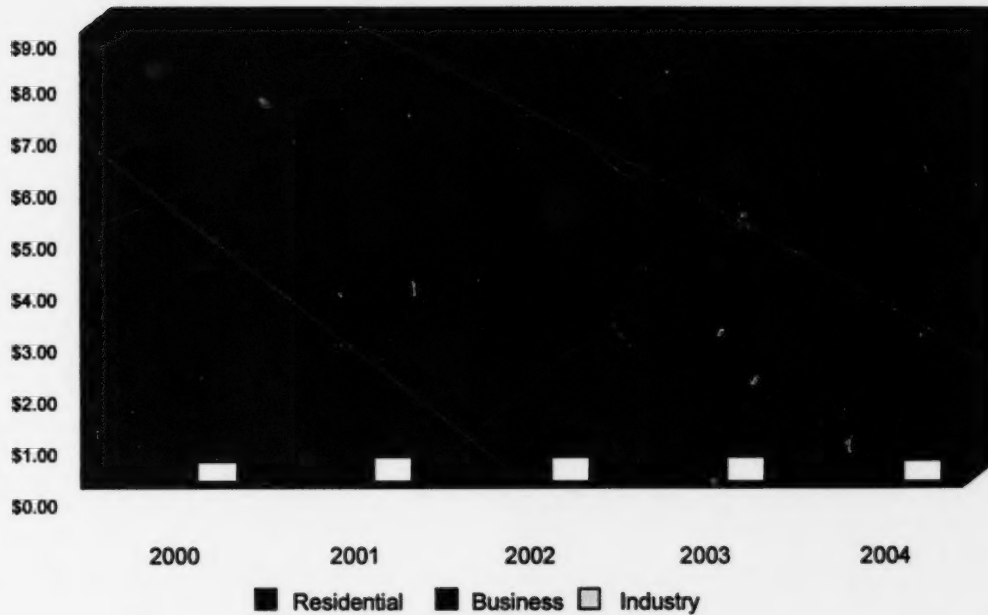
Average Tax & Utilities

(Before Provincial Home Owner Grant)



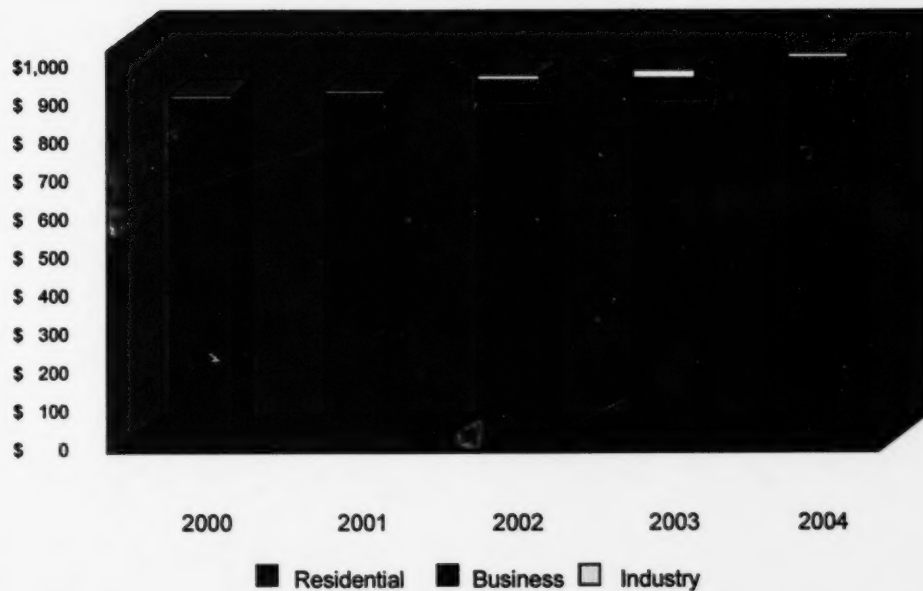
Property Taxes

(In Millions of Dollars)

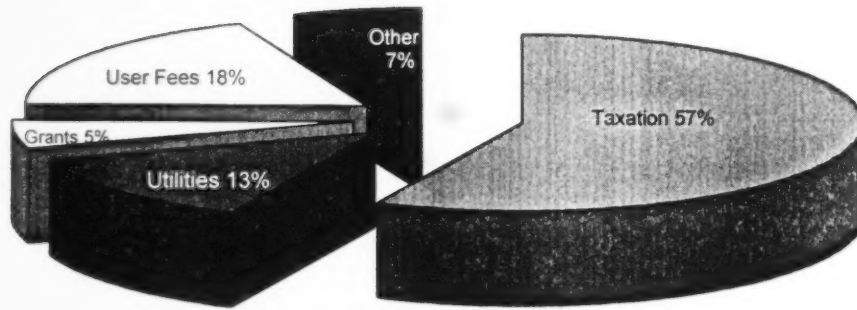


Assessed Value

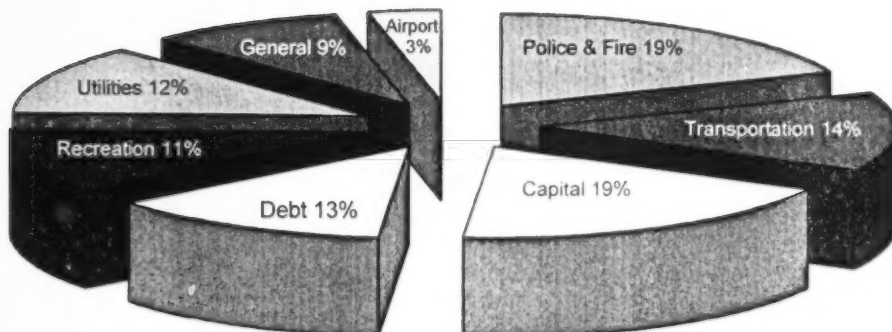
(In Millions of Dollars)



Revenue 2004



Expenditures 2004



Revenue 2004



Expenditures 2004



Statement of 2004 Property Tax Exemptions

In accordance with Section 98(2)(b) of the *Community Charter*, the following properties in the City of Cranbrook were provided permissive property tax exemptions by City Council in 2004.

<u>Roll Number</u>	<u>Address</u>	<u>Property Tax Exemption Recipient</u>	<u>Value of Municipal Property</u> <u>Taxes Exempted</u>
259,000	219 – 15 th Avenue South	J. Fred Scott Villa	\$ 1,667
889,000	125 – 10 th Avenue South (90%)	Summit Community Services Society	6,880
1047,000	32 – 13 th Avenue South	Cranbrook Women's Resource Society	1,685
1118,000	39 – 13 th Avenue South	Canadian Mental Health Association	6,239
1121,000	45 – 13 th Avenue South	Canadian Mental Health Association	1,067
1595,001	20 – 14 th Avenue North	Key City Theatre	42,451
3873,001	1700 – 4 th Street South	Dr. F.W. Green Memorial Home	24,043
4673,500	1402 – 1 st Street South	Cranbrook Society for Community Living	33,068
8850,000	Kootenay Street North	Cranbrook Alliance Church	842
9903,000	2300 – 2 nd Street North	Mountain View Village	11,359
9910,000	2300 – 2 nd Street North	Mountain View Village	5,029
10101,000	1 Van Horne Street North	Canadian Museum of Rail Travel	2,776
18008,000	Van Horne Street South	Canadian Museum of Rail Travel	7,762
18010,000	1 Van Horne Street North	Canadian Museum of Rail Travel	1,585
18010,500	CP R/W Lease	Canadian Museum of Rail Travel	1,191
539,000	201 – 7 th Avenue South	Ruthenian Greek Church	114
1040,000	38 to 42 – 13 th Avenue South	Synod of the Diocese of Kootenay	1,153
1102,000	2 – 12 th Avenue South	Trustees United Church	383
1259,000	43 to 45 – 10 th Avenue South	Roman Catholic Bishop of Nelson	310
1822,000	328 to 334 – 14 th Avenue South	Convention of Baptist Churches, BC	686
1972,000	300 – 10 th Avenue South	Foursquare Gospel Church of Canada	456
2120,000	300 – 6 th Avenue South	BC Corp of Seventh Day Adventist Church	432
2842,000	922 – 11 th Street South	Lutheran Church Missouri Synod, Mount Zion Lutheran Church	735
2967,000	501 – 11 th Avenue South	Pentecostal Assemblies of Canada	330
4525,000	2100 – 3 rd Street South	Trustees of the Knox Church	560
4541,000	2200 – 3 rd Street South	Mount Baker Congregation of Jehovah's Witnesses	611
4800,030	2324 – 2 nd Street South	Cranbrook Christian Center Society	602
5829,000	533 Slater Road NW	Governing Council Salvation Army	1,236
8809,000	2001 to 2008 21 st Avenue North	Trust Cranbrook Fellow Baptist Church	538
9510,000	1200 Kootenay Street North	Christian & Missionary Alliance, Canadian Pacific District	780
9890,000	2210 – 2 nd Street North	President of Lethbridge Stake, LDS Church	906
10189,000	629 – 6 th Street NW	Gathering of Praise Fellowship	713
13016,001	1100 – 14 th Avenue South	Roman Catholic Bishop of Nelson	1,044
3640,000	1701 – 5 th Street South	Catholic Public Schools of Nelson	3,080



A typical winter scene near Cranbrook

The Corporation of the City of Cranbrook

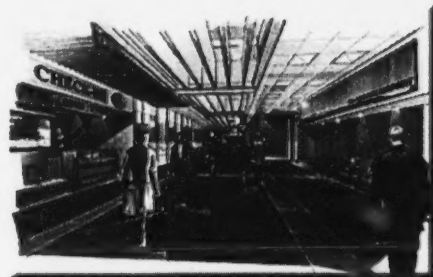
2005 & 2006 Key Objectives

Section 98 of the Community Charter requires municipalities to include in their annual report a progress report respecting the previous year in relation to objectives and measures established for that year. The report also sets out current and future year objectives and measures that will be used to determine progress towards those objectives.

Beginning with the 2003 annual report, a three-year timetable has been provided for full implementation of the progress reporting requirement. The 2004 annual report includes objectives and measures for 2005 and 2006.

Promote a climate conducive to enhanced opportunity for economic, social and cultural development

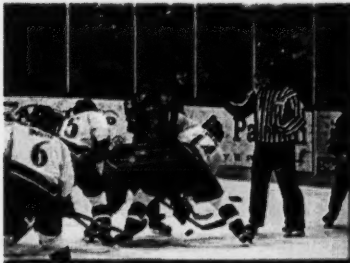
Objectives	2005 Measures	2006 Measures
<ul style="list-style-type: none">• Expand the Regional Airport	<ul style="list-style-type: none">• Complete negotiations for funding with Federal and Provincial governments• Complete detailed design of 8000 ft. runway and Phase I & II of terminal building• Obtain environmental approvals for airport expansion• Develop International Marketing Plan including funding• Continue negotiations to acquire land from St. Mary's Band to expand Airport to accommodate direct flights from overseas	<ul style="list-style-type: none">• Substantially complete construction of 8000 ft. runway and Phase I & II of terminal building• Complete and implement International Marketing Plan



Objectives

- Reinforce the City's position as a regional service centre

- Initiate development of Recreation Centre business plan



- Foster cooperative partnerships with other government agencies and organizations to promote development within the City

- Develop mid-range (to 2020) planning and development framework

2005 Measures

- Consolidate economic development function within City Administration
- Participate with Regional District of the East Kootenay in PST Reduction/Free Zone negotiations
- Protect designated land base for commercial development
- Facilitate College and Hospital expansion
- Create greater availability of smaller sized (approx 1 acre) light industrial lots
- Assume Management control of Rec Plex and promote as a Regional Recreation Centre



- Complete negotiations with Ministry of Transport regarding Cranbrook Street re-alignment and upgrade
- Prepare key contacts list and develop contacts at both the political and senior government officials level

- Initiate and draft Community Vision, initiate public validation process

2006 Measures

- Complete Economic Development Strategy
- Complete Commercial/Light Industrial Land Promotions materials
- Complete Major Services Plan including:
 - Truck stop
 - Convention Centre
 - Tournament Centre
 - Recreation "destination" points (regional)
- Complete and implement Recreation Centre business Plan to include:
 - Implement maintenance plan for Recreation Centre
 - Increase tenants and partnerships associated with complementary services
 - Develop and implement marketing strategy for major events at Recreation Centre
 - Improve floral areas at Recreation Centre



- Complete Community Vision
- Complete Corporate 3 year business plan
- Complete Official Community Plan
- Initiate downtown revitalization planning
- Complete and implement business and marketing plans for tournament facilities
- Initiate growth management strategy

Objectives

- Organize community wide celebrations and legacy projects to celebrate Cranbrook's 100th birthday in 2005

2005 Measures

- Complete Moir Centennial Athletic Park Legacy Project
- Establish Centennial Committee and Centennial budget and support implementation of projects

2006 Measures

Provide a safe and healthy community

Objectives

- Develop partnerships within the community to identify, develop and support related initiatives aimed at improving community and individual health and safety

2005 Measures

- Actively partner within the West Nile Virus Mosquito Control Program

2006 Measures

- Actively partner within the West Nile Virus Mosquito Control Program



- Ensure public safety in the design and maintenance of public places and assets

- Improve working relationship with BC Ambulance Service
- Monitor First Responder call-out procedures
- Explore and advocate tri-services emergency facility (police, fire, ambulance)

- Review and consider implementation of "Bylaw Dispute Adjudication Forum"

- Replace Rotary Park Wading Pool with Splash Pad
- Provide shade shelter at Kinsmen Spray Park
- Implement Council approved recommendations of Traffic Safety Committee
- Develop safe parking & pedestrian corridors in downtown core
- Provide safe public environments in and around public facilities (parks crews maintain safe sight lanes in park areas, tobacco free zones)

- Complete and implement comprehensive public safety information programs (i.e. stream flow, school zones)

- Enhance lighting in downtown parking areas

- Improve water quality monitoring within potable water system

- Implement well head protection plan and continue with all monitoring required by operating certificate

Objectives

- Encourage initiatives that respect the natural environment and contribute to keeping it "clean and green"



2005 Measures

- Facilitate community based initiatives to protect and/or enhance parks and natural areas. (Yellow Fish program, naturalization of Joseph Creek within municipal limits, continue naturalization of Elizabeth Lake)

2006 Measures

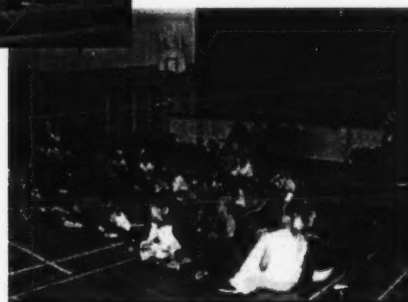
- Continue work with forestry company to remove insect infested timber and control insect infestation in forested areas of the watershed
- Elizabeth Lake:
 - Partner to restore a healthy functional ecosystem
 - Restore native grasses & control noxious weeds

- Re-initiate corporate support and involvement in "Pitch-In"

- Address fire safety issues relating to the forest and community interface

- Participate with Regional District of East Kootenay and Crown in fuel load reduction program in areas adjacent to City limits
- Complete fuel load reduction strategy on City owned lands and initiate

- Develop on-going maintenance plan for interface properties
- Create wildfire hazard development permit area



Strengthen community partnerships

Objectives	2005 Measures	2006 Measures
<ul style="list-style-type: none"> • Work with key community organizations and user groups including the College of the Rockies, Downtown Business Association, School Districts, and the Chamber of Commerce to identify common goals and strategic opportunities for combining efforts on achieving related community objectives 	<ul style="list-style-type: none"> • College of the Rockies: <ul style="list-style-type: none"> • Complete long term management strategy for Track • Continue development of Fire Training Program, complete market potential analysis • Initiate meetings between Administrations to review and discuss common objectives • Downtown Business Association: <ul style="list-style-type: none"> • Invite comments from the public on downtown festive lighting, streetscape, trees, shrub beds • Complete downtown parking study and initiate implementation 	<ul style="list-style-type: none"> • Complete and initiate implementation of aggressive growth plan for the College Fire Training program • Expand the fire training facility at #2 Fire Station and complete plans for a fire training facility at the Airport • Continue implementation of downtown parking upgrade
	<ul style="list-style-type: none"> • School Districts: <ul style="list-style-type: none"> • Discuss opportunities with the School District to increase efficiencies in the use of resources through a joint operations agreement • Negotiate and implement mutually beneficial open space management initiatives 	



Objectives**2005 Measures****2006 Measures**

- Chamber of Commerce:
 - Encourage active participation in the Official Community Plan and Economic Development Strategy

Provide long range and short term Infrastructure plans to respond to growth as well as to meet the current needs of the City residents and businesses

Objectives**2005 Measures****2006 Measures**

- | | | |
|---|--|---|
| • Prepare a long-range financial policy aimed at providing sustainable funding to meet future infrastructure requirements | • Introduce ¾% solution over 10 years and establish Recapitalization Reserve | • Review infrastructure funding including senior government funding |
| • Prepare an asset management plan including local infrastructure and a strategy for implementation | • Complete attribute data structure for roads, water and waste water utilities
• Populate attribute data structure with existing information | • Complete attribute database
• Initiate priority replacement plan
• Initiate comprehensive Graphics Information System |
| | • Review the Local Improvement Bylaw to encourage residents to assist in the upgrade of local utilities and roads | • Update Local Improvement Bylaw |
| • Develop a preventative water and sewer maintenance program | • Implement initial phases of water/sewer maintenance program | • Implement manual leak detection program
• Implement recommendations of Effluent Management Study |
| • Address utility capital projects based upon expected growth and economic, environmental, and health factors | • Request and pursue direct discussion/negotiations with Health Authority re: implementation requirements of Drinking Water Protection Act and Regulations | • Continue potable water system improvement (and pressure reducing station) |

Promote financial planning and management policies that protect the City's financial health for the City's taxpayers

Objectives	2005 Measures	2006 Measures
<ul style="list-style-type: none"> • Implement a two-year municipal budget process within the structure of the Five Year Financial Plan • Set short term and long term financial targets for the City • Review and adjust City fees and charges • Revise City grant policy to enhance accountability • Continuous updating of Information Technology 	<ul style="list-style-type: none"> • Complete 5 Year Plan within time requirements to satisfaction of Council • Establish emergency utility fund surplus limits policies • Establish accumulated surplus limit policy • Submit following Fees & Charges proposed adjustments in 2005: <ul style="list-style-type: none"> • Engineering and Planning • Leisure Services • RCMP • FOIPP • Bylaw Enforcement/Licensing • Airport 	<ul style="list-style-type: none"> • Prepare recapitalization reserve fund bylaw for ¾ % recapitalization fund • Develop grant policy for Council consideration • Update computer communications links between City facilities (buildings)

Focus efforts on developing and maintaining key community facilities/services

Objectives	2005 Measures	2006 Measures
<ul style="list-style-type: none"> • Work towards relocating library services to a facility that better meets current and future community requirements 	<ul style="list-style-type: none"> • Complete negotiations to purchase appropriate building • Complete conduct of referendum • Complete contract for library schematic design • Complete agreement with RDEK for joint funding 	<ul style="list-style-type: none"> • Complete construction of Library and relocate library operations



Objectives

2005 Measures

2006 Measures

- Seek opportunities to involve the Regional District of East Kootenay in providing local and regional leisure and recreation services in the City of Cranbrook
- Work toward the completion of the Moir Centennial Athletic Park

- Administrations to review full range of leisure and recreation services utilized by RDEK ratepayers and discuss balanced participatory funding

- Complete Moir Centennial Athletic Park

- Continue work with community groups to facilitate enhancement of Moir Centennial Athletic Park (lacrosse box, score boards, movable outfield fences)

- Continue to work with Sunrise Rotary to complete field house at Moir Centennial Athletic Park



- Continue development and improvement of the Cycle/Walk Trail System


- Complete policy regarding maintenance of cycle/walk trail
- Review and update master plan

- Increase the use of public transit

- Install bike racks on Transit buses
- Continue to monitor and adjust routes and schedules to maximize use

- Continue negotiations for U-Pass implementation

Promote City Beautification

Objectives	2005 Measures	2006 Measures
<ul style="list-style-type: none"> • Set an example by directing a portion of capital expenditures toward the improvement of visual qualities of public property 	<ul style="list-style-type: none"> • Update parking fund bylaw to expand potential application to enhance visual qualities of public parking lots 	<ul style="list-style-type: none"> • Introduce operating budget line item for urban forest management • Introduce concept of capital budget percentage (eg 2%) dedicated to community visual qualities (entrance signs, parks and public spaces, flower beds, urban reforestation)
<ul style="list-style-type: none"> • Increase enforcement of City bylaws directed toward the maintenance and appearance of land and buildings 	<ul style="list-style-type: none"> • As stated 	<ul style="list-style-type: none"> • Complete and implement public information program for City bylaws (property cleanup, dog licensing/control, school zones)
<ul style="list-style-type: none"> • Review City owned land and facilities and identify ways to upgrade appearance 	<ul style="list-style-type: none"> • Replace City Hall roof • Replace sidewalk at main entrance at City Hall 	<ul style="list-style-type: none"> • Upgrade floral displays on public property • Continue to upgrade irrigation systems in public open spaces • Plant cedar hedge around perimeter of Fire Hall #2
		
<ul style="list-style-type: none"> • Review City bylaws in the interest of improving the quality of the built and natural environment 	<ul style="list-style-type: none"> • Continue Official Community Plan review and development 	
<ul style="list-style-type: none"> • Encourage volunteer efforts to improve the appearance of private property 	<ul style="list-style-type: none"> • Support winter lights festival and Communities In Bloom 	<ul style="list-style-type: none"> • Continue to partner with winter lights and Communities In Bloom • Promote annual clean-up day and beautification of private areas



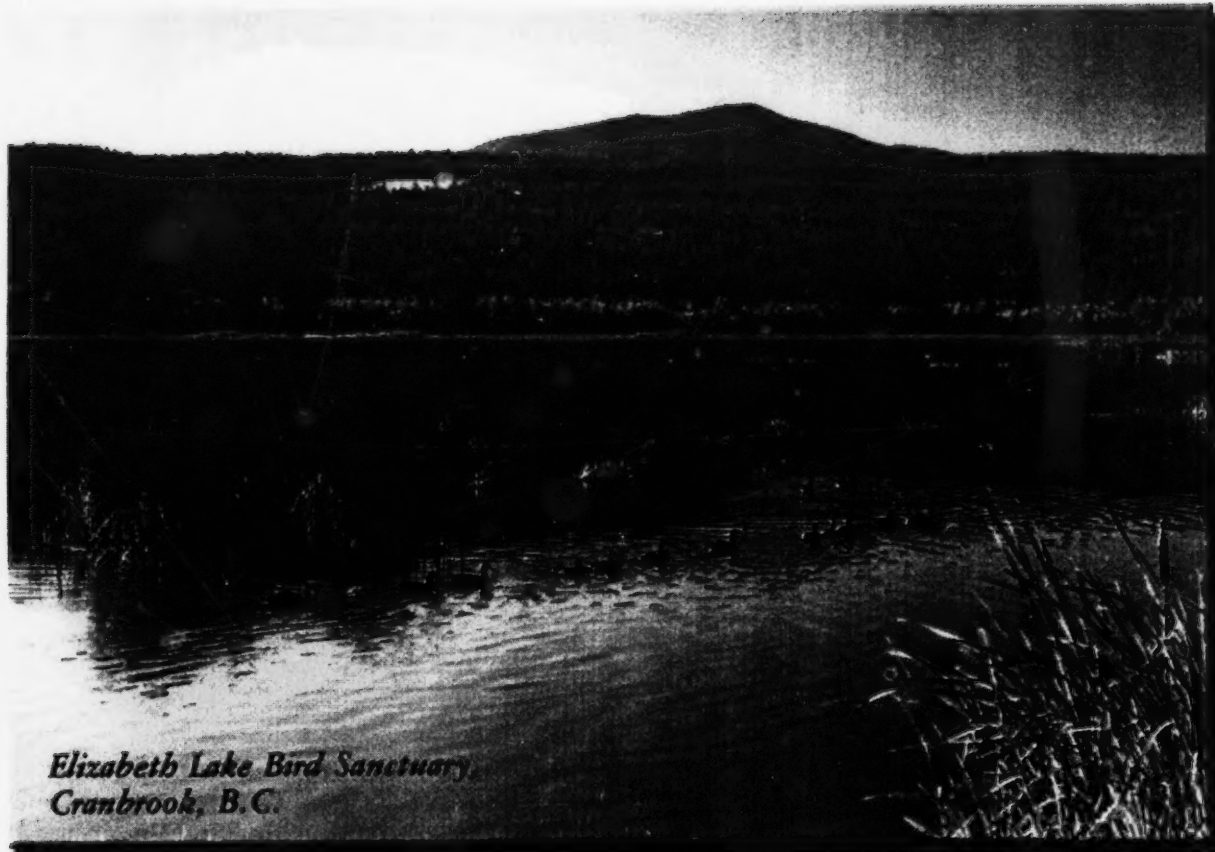
City of Cranbrook

Mission Statement

The Council and Staff are committed to the continuing development of the City of Cranbrook as a successful and progressive community, and to preserving, and further enhancing the high quality of life enjoyed by the Citizens.

Council will be responsive to concerns and provide an informed and committed leadership. A competent, skilled staff of high integrity will use available resources as efficiently as possible, providing high quality services to meet the needs and address the concerns of residents and employers.

Council and Staff will work cooperatively with the Citizens of the City of Cranbrook, organizations within the community, other municipalities and other levels of government in order to achieve the maximum benefit for the community.



*Elizabeth Lake Bird Sanctuary,
Cranbrook, B.C.*

Photo Courtesy of Dick Caunt



City of Cranbrook
40 - 10th Avenue South
Cranbrook, BC V1C 2M8
Telephone: (250) 426-4211
Facsimile: (250) 426-4026

Visit our website at www.cranbrook.ca